

ORIGINAL

THIS AMENDMENT:

____ Passed _____ Passed as amended by _____
____ Failed _____ Not Offered _____



0000075393

RECEIVED

60cm

2007 JUL 23 P 2: 12 MAYES PROPOSED AMENDMENT # 1

AZ CORP COMMISSION
DOCKET CONTROL

DATE PREPARED: July 23, 2007

COMPANY: Arizona-American Water Co.

AGENDA ITEM NO. U-10

DOCKET NO. W-01303A-07-0407

OPEN MEETING DATE: July 24-25, 2007

Page 2, DELETE lines 4 through 5, INSERT NEW FINDING OF FACTS:

"3. The existing hook-up fee (the Treatment Plant Availability Fee) is \$785 for all new connections. The Commission finds that Arizona-American's proposed hook-up fee of \$2,600 for 4-inch service laterals, \$5,580 for 6-inch service laterals, \$10,400 for 8-inch service laterals and \$16,250 for 10-inch service laterals is appropriate in this matter.

4. The increased hook-up fee will help offset 50% of the WWTP expansion construction costs and will reduce the magnitude of future rate increases to recover the costs of the WWTP expansion. The Commission has encouraged efforts to require growth to pay for itself through the use of hook up fees for water and wastewater companies. Increasing the hook-up fee in this case will require that new development pay for its share of infrastructure costs while shielding current ratepayers from this burden.

5. The Commission will require that Arizona-American file a new Mohave Wastewater rate case on or before May 31, 2008, which will request inclusion of the 50% of the actual Treatment Plant expansion costs in rate base.

6. Arizona-American shall file the new hook-up fee (the Treatment Plant Availability Fee) tariff with Docket Control within 30 days of the effective date of this decision."

Page 2, DELETE lines 11 through 13, INSERT NEW CONCLUSIONS OF LAW:

"3. The Commission has the authority to approve Arizona-American's request to increase the hook-up fee, because the relief is revenue neutral and there was a recent fair-value finding for the Mohave Wastewater District in Decision No. 69940.

4. It is in the public interest to approve Arizona-American's request to increase the existing hook-up fee from \$785 per new service connection to \$2,600 for 4-inch service laterals, \$5,580 for 6-inch service laterals, \$10,400 for 8-inch service laterals and \$16,250 for 10-inch service laterals."

Arizona Corporation Commission

DOCKETED

Page 3, DELETE lines 2 through 3, INSERT NEW ORDERING PARAGRAPHS

JUL 23 2007

DOCKETED BY

nr

“IT IS THEREFORE ORDERED that the hook-up fee (Treatment Plant Availability Fee) increase as discussed herein is approved.

IT IS FURTHER ORDERED that Arizona-American shall file a new Mohave Wastewater rate case on or before May 31, 2008, which will request inclusion of the 50% of the actual Treatment Plant expansion costs in rate base.

IT IS FURTHER ORDERED that Arizona-American shall file the new hook-up fee (the Treatment Plant Availability Fee) tariff with Docket Control within 30 days of the effective date of this decision.”

Renumber to conform and make all conforming changes.